



3015 (02-09-04)

ANNUAL REPORT

OF

Name: SHELL LAKE MUNICIPAL UTILITIES

Principal Office: P.O. BOX 332
SHELL LAKE, WI 54871-0520

For the Year Ended: DECEMBER 31, 2002

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: SHELL LAKE MUNICIPAL UTILITIES**Utility Address:** P.O. BOX 332

SHELL LAKE, WI 54871-0520

When was utility organized? 1/1/1923**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: BRADLEY PEDERSON**Title:** CITY ADMINISTRATOR**Office Address:**

P.O. BOX 332

SHELL LAKE, WI 54871

Telephone: (715) 468 - 7679**Fax Number:** (715) 468 - 7638**E-mail Address:**

Individual or firm, if other than utility employee, preparing this report:

Name: MR. BRIAN M. KAHL, C.P.A.**Title:** INDEPENDENT AUDITOR**Office Address:** TRACEY & THOLE, S.C.

502 SECOND STREET

HUDSON, WI 54016

Telephone: (715) 386 - 2391**Fax Number:** (715) 386 - 0535**E-mail Address:**

President, chairman, or head of utility commission/board or committee:

Name: JOE SMITH**Title:** CHAIRMAN**Office Address:**

P.O. BOX 332

SHELL LAKE, WI 54871

Telephone: (715) 468 - 7679**Fax Number:** (715) 468 - 7638**E-mail Address:**

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name: MR. BRIAN M. KAHL, C.P.A.**Title:** INDEPENDENT AUDITOR**Office Address:** TRACEY & THOLE, S.C.
502 SECOND STREET
HUDSON, WI 54046**Telephone:** (715) 386 - 2391**Fax Number:** (715) 386 - 0535**E-mail Address:****Date of most recent audit report:** 2/14/2003**Period covered by most recent audit:** 1/1/02-12/31/02

Names and titles of utility management including manager or superintendent:

Name: BRADLEY PEDERSON**Title:** CITY ADMINISTRATOR**Office Address:**
P.O. BOX 332
SHELL LAKE, WI 54871**Telephone:** (715) 468 - 7679**Fax Number:** (715) 468 - 7638**E-mail Address:**

Name: JEFFREY PARKER**Title:** PUBLIC WORKS DIRECTOR**Office Address:** CITY OF SHELL LAKE
P.O. BOX 332
SHELL LAKE, WI 54871**Telephone:** (715) 468 - 7679**Fax Number:** (715) 468 - 7638**E-mail Address:**

Name: LARRY FLETCHER**Title:** CITY MAYOR**Office Address:** CITY OF SHELL LAKE
P.O. BOX 332
SHELL LAKE, WI 54871**Telephone:** (715) 468 - 7679**Fax Number:** (715) 468 - 0535**E-mail Address:**

Name of utility commission/committee: Public Works Committee

Names of members of utility commission/committee:LYNNETTE BUTENHOFF
JOE SMITH

IDENTIFICATION AND OWNERSHIP

Names of members of utility commission/committee:

Is sewer service rendered by the utility? YES

If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes? NO

Date of Ordinance:

Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? NO

Provide the following information regarding the provider(s) of contract services:

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	171,881	172,722	1
Operating Expenses:			
Operation and Maintenance Expense (401)	78,719	91,313	2
Depreciation Expense (403)	29,636	28,950	3
Amortization Expense (404)	0	0	4
Taxes (408)	36,899	36,941	5
Total Operating Expenses	145,254	157,204	
Net Operating Income	26,627	15,518	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	26,627	15,518	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	169	239	9
Miscellaneous Nonoperating Income (421)	67,782	38,598	10
Total Other Income	67,951	38,837	
Total Income	94,578	54,355	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	0	0	12
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	94,578	54,355	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	16,769	17,408	13
Amortization of Debt Discount and Expense (428)	216	882	14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	1,345	2,369	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	18,330	20,659	
Net Income	76,248	33,696	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	738,290	704,594	19
Balance Transferred from Income (433)	76,248	33,696	20
Miscellaneous Credits to Surplus (434)	0	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
Total Unappropriated Earned Surplus End of Year (216)	814,538	738,290	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Nonoperating Rental Income (418):		
NONE		3
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
INTEREST AND DIVIDEND INCOME	169	4
Total (Acct. 419):	169	
Miscellaneous Nonoperating Income (421):		
NON-REGULATED SEWER DEPARTMENT INCOME	13,688	5
AMORTIZATION OF SEWER CONSTRUCTION GRANTS	10,665	6
CLEAN WATER FUND GRANT RECEIVED FOR THE SEWER UTILITY	43,429	7
Total (Acct. 421):	67,782	
Miscellaneous Amortization (425):		
NONE		8
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		9
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		10
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		11
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		12
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		13
Total (Acct. 439)--Debit:	0	

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	171,881	0	0	0	171,881	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
.					0	6
Revenues subject to Wisconsin Remainder Assessment	171,881	0	0	0	171,881	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,555,102	1,551,989	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	336,621	305,579	2
Net Utility Plant	1,218,481	1,246,410	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	1,546,291	1,544,306	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	437,028	411,199	4
Net Nonutility Property	1,109,263	1,133,107	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	500	6
Special Funds (125)	62,217	61,957	7
Total Other Property and Investments	1,171,480	1,195,564	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	256,329	134,174	8
Temporary Cash Investments (132)	3,600	3,600	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	53,632	56,681	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	15,151	11,701	14
Materials and Supplies (150)	17,003	15,238	15
Prepayments (165)	263	449	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	345,978	221,843	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	216	432	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	12,889	30,075	20
Total Deferred Debits	13,105	30,507	
Total Assets and Other Debits	2,749,044	2,694,324	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	534,909	534,909	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	814,538	738,290	23
Total Proprietary Capital	1,349,447	1,273,199	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	20,000	35,000	25
Other long-Term Debt (224)	255,970	265,917	26
Total Long-Term Debt	275,970	300,917	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	3,009	3,850	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)	15,000		30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	13,483	14,267	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	31,492	18,117	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	4,936	4,227	36
Total Deferred Credits	4,936	4,227	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	1,087,199	1,097,864	38
Total Liabilities and Other Credits	2,749,044	2,694,324	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
Plant Accounts:					
Utility Plant in Service (100)	1,554,562	0	0	0	1
Utility Plant Purchased or Sold (391)					2
Utility Plant in Process of Reclassification (392)					3
Utility Plant Leased to Others (393)					4
Property Held for Future Use (394)					5
Construction Work in Progress (395)	540				6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	1,555,102	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	336,621	0	0	0	9
Total Accumulated Provision	336,621	0	0	0	
Net Utility Plant	1,218,481	0	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT (ACCT. 110)

Depreciation Accruals (Credits) during the year:

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year	305,579				305,579	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	29,636				29,636	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	1,406				1,406	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	31,042	0	0	0	31,042	13
Debits during year						14
Book cost of plant retired	0				0	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	0	0	0	0	0	19
Balance End of Year	336,621	0	0	0	336,621	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	2.00%					22

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	1,544,306	6,440	4,995	1,545,751	1
Other (specify):					
Construction Work In Process	0	540		540	2
Total Nonutility Property (121)	1,544,306	6,980	4,995	1,546,291	
Less accum. prov. depr. & amort. (122)	411,199	30,824	4,995	437,028	3
Net Nonutility Property	1,133,107	(23,844)	0	1,109,263	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)	
Electric Utility							
Fuel for generation					0	0	1
Other					0	0	2
Total Electric Utility					0	0	

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	14,607	13,619	2
Sewer utility	2,396	1,619	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
Total Materials and Supplies	17,003	15,238	

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
GO REFUNDING BONDS, SERIES 2001	216	428	216	1
Total			216	
Unamortized premium on debt (251)				
None	0	None	0	2
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	534,909	1
Changes during year (explain):		2
Balance end of year	534,909	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
-------------------------------------	----------------------------------	--	----------------------------------	---

NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
GO REFUNDING BONDS, SERIES 2001-WATER	09/05/2001	10/01/2003	4.30%	10,000	1
GO REFUNDING BONDS, SERIES 2001-SEWER	09/05/2001	10/01/2003	4.30%	10,000	2
Total for Account 223				20,000	
Other Long-Term Debt (224)					
State Trust Fund Loan - Sewer	02/18/1998	03/15/2017	6.50%	255,970	3
Total for Account 224				255,970	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	36,899	2
Charged electric department expense		3
Charged sewer department expense	503	4
Other (explain):		
NONE		5
Total Accruals and other credits	37,402	
Taxes paid during year:		
County, state and local taxes	35,079	6
Social Security taxes	2,140	7
PSC Remainder Assessment	183	8
Other (explain):		
NONE		9
Total payments and other debits	37,402	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
Promissory Note 6/1/93 - Water	0			0	2
Promissory Note 6/1/93 - Sewer	0			0	3
REFUNDING BONDS, SERIES 2001-WATER	278	753	922	109	4
REFUNDING BONDS, SERIES 2001-SEWER	209	592	692	109	5
Subtotal	487	1,345	1,614	218	
Other long-Term Debt (224)					
State Trust Fund Loan 2-18-98 - Sewer	13,780	16,769	17,284	13,265	6
Subtotal	13,780	16,769	17,284	13,265	
Notes Payable (231)					
NONE	0			0	7
Subtotal	0	0	0	0	
Total	14,267	18,114	18,898	13,483	

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	642,076	0	0	455,788	0	1,097,864	1
Add credits during year:							
For Services						0	2
For Mains						0	3
Other (specify):							
NONE						0	4
Deduct charges (specify):							
AMORTIZATION OF CONSTRUCTION GRANTS				10,665		10,665	5
Balance End of Year	642,076	0	0	445,123	0	1,087,199	
Amount of federal and state grants in aid received for utility construction included in End of Year totals	515,013			319,283		834,296	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
SEWER REPLACEMENT FUNDS	62,217	3
Total (Acct. 125):	62,217	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	25,400	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
CUSTOMER ACCOUNTS RECEIVABLE-SEWER	27,513	8
SEWER-LOCAL SEPTIC HAULERS	719	9
Total (Acct. 142):	53,632	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		10
Merchandising, jobbing and contract work		11
Other (specify):		
NONE		12
Total (Acct. 143):	0	
Receivables from Municipality (145):		
2002 TAX ROLL ITEMS	15,151	13
Total (Acct. 145):	15,151	
Prepayments (165):		
PREPAID INSURANCE	263	14
Total (Acct. 165):	263	
Extraordinary Property Losses (182):		
NONE		15
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
DEFERRED WATER TOWER PAINTING EXPENSES	12,889	16
Total (Acct. 183):	12,889	
Payables to Municipality (233):		
NONE	0	17
Total (Acct. 233):	0	
Other Deferred Credits (253):		
EMPLOYEE ACCRUED FRINGE BENEFITS	4,936	18
Total (Acct. 253):	4,936	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include property held for future use or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	1,553,275	0	0	0	1,553,275	1
Materials and Supplies	14,113	0	0	0	14,113	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation	321,100	0	0	0	321,100	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	642,076	0	0	0	642,076	6
Other (specify):						
NONE					0	7
Average Net Rate Base	604,212	0	0	0	604,212	
Net Operating Income	26,627	0	0	0	26,627	8
Net Operating Income as a percent of						
Average Net Rate Base	4.41%	N/A	N/A	N/A	4.41%	

RETURN ON PROPRIETARY CAPITAL COMPUTATION

1. The data used in calculating proprietary capital are averages.
2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
Average Proprietary Capital		
Capital Paid in by Municipality	534,909	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	776,414	3
Other (Specify):		
NONE		4
Total Average Proprietary Capital	1,311,323	
Net Income		
Net Income	76,248	5
Percent Return on Proprietary Capital	5.81%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

A simplified rate increase was approved. The new rates went into affect on October 1, 2002.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Income Statement Account Details (Page F-02)

The sewer utility received a clean water fund grant. This grant provided the utility a subsidized interest rate of 2.640%. Four years of the subsidy was received in 2002. The grant was for the state trust fund loan dated 2/18/98.

FINANCIAL SECTION FOOTNOTES

Identification and Ownership - Contacts (Page iv)

January 13, 2004

Mr. Bradley Pederson, City Administrator
Shell Lake Municipal Utilities
P.O. Box 332
Shell Lake, WI 54871

2002 Analytical Review DWCCA-5400-ELE

Dear Mr. Pederson:

The Public Service Commission (Commission) staff has completed its analytical review of your utility's 2002 annual report. The primary purpose of the analytical review is to detect possible reporting or accounting related errors and also to identify significant fluctuations from prior years' data that are not sufficiently explained in the annual report. The analytical review did identify the following issues:

1. On Page W-10, 35% water loss is reported and the text indicates that water loss studies are continuing. Please advise the Commission of the status of your water loss for 2003. Have leaks been located and repaired? Has water loss decreased to a more acceptable level?
2. On Page F-2, an amount is reported in Account 421 described as "CLEAN WATER FUND GRANT RECEIVED FOR THE SEWER UTILITY". In compliance with 05-US-105, this amount should be reclassified to Account 216.2 for 2003 and the related plant should be reclassified to contributed plant. Please confirm that these entries will be made for 2003.

Responding to the questions posed from the analytical review does not preclude you from possibly receiving other inquiries from our office regarding your annual report in the future: for instance, during a rate case, construction authorization, or other Commission reviews.

We appreciate your cooperation in providing the above information. If you have any questions, please feel free to contact me at (608) 266-3768. Please respond within 30 days of this letter. We prefer that you respond by e-mail if it is convenient for you to do so. My e-mail address is elaine.engelke@psc.state.wi.us. If we have no questions regarding your response, you can consider the review closed.

Sincerely,

Elaine Engelke
Financial Specialist

FINANCIAL SECTION FOOTNOTES

Division of Water, Compliance, and Consumer Affairs

WATER OPERATING REVENUES & EXPENSES

Particulars (a)		Amounts (b)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)		167,446	1
Total Sales of Water		167,446	
Other Operating Revenues			
Forfeited Discounts (470)		1,100	2
Other Water Revenues (474)		3,335	3
Amortization of Construction Grants (475)		0	4
Total Other Operating Revenues		4,435	
Total Operating Revenues		171,881	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)		55,375	5
General Operating Expenses (680-690)		23,344	6
Total Operation and Maintenance Expenses		78,719	
Other Operating Expenses			
Depreciation Expense (403)		29,636	7
Amortization Expense (404)			8
Taxes (408)		36,899	9
Total Other Operating Expenses		66,535	
Total Operating Expenses		145,254	
NET OPERATING INCOME		26,627	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	451	16,632	64,086	4
Commercial	78	9,398	24,666	5
Industrial	7	376	1,343	6
Total Metered Sales to General Customers (461)	536	26,406	90,095	
Private Fire Protection Service (462)	7		1,860	7
Public Fire Protection Service (463)	1		66,644	8
Other Sales to Public Authorities (464)	21	3,080	8,847	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	565	29,486	167,446	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	66,644	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	66,644	
Forfeited Discounts (470):		
Customer late payment charges	1,100	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	1,100	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	1,931	7
Other (specify):		
WATER TURN ON FEES	91	8
BULK WATER SALES	229	9
PROFIT ON SALE OF MATERIALS	577	10
PROFIT ON REPAIRS MADE TO LATERALS	507	11
Total Other Water Revenues (474)	3,335	
Amortization of Construction Grants (475):		
NONE		12
Total Amortization of Construction Grants (475)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
PLANT OPERATION AND MAINTENANCE EXPENSES		
Salaries and Wages (600)	21,642	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	6,673	3
Chemicals (630)	1,315	4
Supplies and Expenses (640)	6,414	5
Repairs of Water Plant (650)	18,543	6
Transportation Expenses (660)	788	7
Total Plant Operation and Maintenance Expenses	55,375	
GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	7,302	8
Office Supplies and Expenses (681)	2,000	9
Outside Services Employed (682)	3,000	10
Insurance Expense (684)	2,620	11
Employees Pensions and Benefits (686)	8,362	12
Regulatory Commission Expenses (688)	60	13
Miscellaneous General Expenses (689)		14
Uncollectible Accounts (690)		15
Total General Operating Expenses	23,344	
Total Operation and Maintenance Expenses	78,719	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Property Tax Equivalent		35,079	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		503	2
Net property tax equivalent		34,576	
Social Security		2,140	3
PSC Remainder Assessment		183	4
Other (specify): NONE			5
Total tax expense		36,899	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Washburn				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.218128				3
County tax rate	mills		5.804171				4
Local tax rate	mills		6.884662				5
School tax rate	mills		10.705197				6
Voc. school tax rate	mills		1.337588				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		24.949746				10
Less: state credit	mills		1.516650				11
Net tax rate	mills		23.433096				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		6.884662				14
Combined School Tax Rate	mills		12.042785				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		18.927447				17
Total Tax Rate	mills		24.949746				18
Ratio of Local and School Tax to Total	dec.		0.758623				19
Total tax net of state credit	mills		23.433096				20
Net Local and School Tax Rate	mills		17.776882				21
Utility Plant, Jan. 1	\$	1,551,989	1,551,989				22
Materials & Supplies	\$	13,619	13,619				23
Subtotal	\$	1,565,608	1,565,608				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	1,565,608	1,565,608				26
Assessment Ratio	dec.		0.915063				27
Assessed Value	\$	1,432,630	1,432,630				28
Net Local & School Rate	mills		17.776882				29
Tax Equiv. Computed for Current Year	\$	25,468	25,468				30
Tax Equivalent per 1994 PSC Report	\$	35,079					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	35,079					34

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	44,204		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	44,204	0	
PUMPING PLANT			
Land and Land Rights (320)	600		12
Structures and Improvements (321)	34,537		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	89,115		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	124,252	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	6,579		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	6,579	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	550		24
Structures and Improvements (341)	0		25

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			44,204	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	44,204	
PUMPING PLANT				
Land and Land Rights (320)			600	12
Structures and Improvements (321)			34,537	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			89,115	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	124,252	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			6,579	22
Water Treatment Equipment (332)			0	23
Total Water Treatment Plant	0	0	6,579	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			550	24
Structures and Improvements (341)			0	25

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	263,533		26
Transmission and Distribution Mains (343)	683,827		27
Fire Mains (344)	0		28
Services (345)	190,865		29
Meters (346)	54,638	2,573	30
Hydrants (348)	159,781		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	1,353,194	2,573	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	482		35
Computer Equipment (372.1)	2,306		36
Transportation Equipment (373)	10,996		37
Other General Equipment (379)	9,976		38
Other Tangible Property (390)	0		39
Total General Plant	23,760	0	
Total utility plant in service directly assignable	1,551,989	2,573	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,551,989	2,573	

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)			263,533 26
Transmission and Distribution Mains (343)			683,827 27
Fire Mains (344)			0 28
Services (345)			190,865 29
Meters (346)			57,211 30
Hydrants (348)			159,781 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	1,355,767
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			482 35
Computer Equipment (372.1)			2,306 36
Transportation Equipment (373)			10,996 37
Other General Equipment (379)			9,976 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	23,760
Total utility plant in service directly assignable	0	0	1,554,562
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	1,554,562

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			4,303	4,303	1
February			3,970	3,970	2
March			3,922	3,922	3
April			4,187	4,187	4
May			4,268	4,268	5
June			4,512	4,512	6
July			4,735	4,735	7
August			4,257	4,257	8
September			4,024	4,024	9
October			4,249	4,249	10
November			4,159	4,159	11
December			4,099	4,099	12
Total annual pumpage	0	0	50,685	50,685	
Less: Water sold				29,486	13
Volume pumped but not sold				21,199	14
Volume sold as a percent of volume pumped				58%	15
Volume used for water production, water quality and system maintenance				945	16
Volume related to equipment/system malfunction				2,332	17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				3,277	19
Volume pumped but unaccounted for				17,922	20
Percent of water lost				35%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Water leak studies will be continued.					
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				3,642	23
Date of maximum: 4/1/2002					24
Cause of maximum:					25
Water tower overflowed. Control valve failed.					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				0	26
Date of minimum: 4/2/2002					27
Total KWH used for pumping for the year				90,590	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
228 5TH AVENUE	#1	235	12	1,000,000	Yes	1
HWY 63	#2	572	12	792,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	#1	#2		1
Location	228 5TH AVENUE	HWY 63		2
Purpose	P	P		3
Destination	R	R		4
Pump Manufacturer	VALLEY PUMP	LAYNE		5
Year Installed	1983	1990		6
Type	SUBMERSIBLE	OTHER		7
Actual Capacity (gpm)	475	525		8
Pump Motor or Standby Engine Mfr	FRANKLIN	LAYNE		10
Year Installed	1983	1951		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	50	50		13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22
Year Installed				23
Type				24
Horsepower				25
				26

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	#1	#2	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	S	3
Year constructed	1969	1987	4
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	5
Elevation difference in feet (See Headnote 3.)	500	159	6
Total capacity in gallons (actual)	100,000	150,000	7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)			9
Points of application (wellhouse, central facilities, booster station, other)			10
Filters, type (gravity, pressure, other, none)			11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)			12
Is a corrosion control chemical used (yes, no)?		N	13
Is water fluoridated (yes, no)?		N	14

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
P	D	2.000	130	0	0	0	130	1
M	D	3.000	564	0	0	0	564	2
M	D	4.000	5,448	0	0	0	5,448	3
M	D	6.000	18,160	0	0	0	18,160	4
P	D	6.000	4,545	0	0	0	4,545	5
M	D	8.000	10,410	0	0	0	10,410	6
P	D	8.000	8,269	0	0	0	8,269	7
M	D	10.000	1,502	0	0	0	1,502	8
P	D	10.000	12,359	0	0	0	12,359	9
Total Within Municipality			61,387	0	0	0	61,387	
Total Utility			61,387	0	0	0	61,387	

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
P	0.750	440	0	0	0	440	53	1
M	1.000	74	0	0	0	74	0	2
M	1.250	2	0	0	0	2		3
M	1.500	4	0	0	0	4		4
M	2.000	6	0	0	0	6		5
M	3.000	1	0	0	0	1		6
M	4.000	3	0	0	0	3		7
M	6.000	1	0	0	0	1		8
M	8.000	1	0	0	0	1		9
Total Utility		532	0	0	0	532	53	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	562	0	0	0	562	39	1
0.750	43	30	0	0	73	0	2
1.000	18	2	0	0	20	0	3
1.500	9	0	0	0	9	4	4
2.000	10	0	0	0	10	5	5
3.000	4	0	0	0	4	2	6
4.000	2	0	0	0	2	1	7
Total:	648	32	0	0	680	51	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	414	62	0	10	0	76	562	1
0.750	34	0	0	0	0	39	73	2
1.000	3	8	0	3	0	6	20	3
1.500	0	4	0	3	0	2	9	4
2.000	0	2	3	4	0	1	10	5
3.000	0	2	1	0	0	1	4	6
4.000	0	0	0	1	0	1	2	7
Total:	451	78	4	21	0	126	680	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	104				104	2
Total Fire Hydrants	104	0	0	0	104	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year

Number of hydrants operated during year:	104
Number of distribution system valves end of year:	164
Number of distribution valves operated during year:	164

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

In 2001 repairs of water plant (a/c # 650) was charged \$5,774 of main repairs completed to repair leaks. No such costs were incurred in 2002. Thus, expenditures in this account are down in 2002.
